



**Secretary of State Office  
Capitol building  
500 east Capitol Avenue, Suite 204  
Pierre, SD 57501-5070**

July 31, 2007

**RE: BOND FILLING WITH BANKING DEPARTMENT. SEC OF STATE**

To Whom It May Concern:

Please be advised that Franklin Credit Management Corporation (FCMC) is a licensee, license # 4611 of the South Dakota Division of Banking. Due to new regulation FCMC obtained a bond in the amount of \$ 25,000.00 per Banking Department. Enclosed please find the notification to Banking Department, copy of bond, check in the amount of \$ 1.00 for your filling fee, and notice from Banking Department.

If you should require further assistance or documentation in adding this to your records please feel free to contact me at 201-604-1800 ext. 4748 or [ididkowska@franklincredit.com](mailto:didkowska@franklincredit.com)

Thank You

A handwritten signature in black ink, appearing to read "Izabela Didkowska".

Izabela Didkowska  
Paralegal

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AUG 01 2007

S.D. SEC. OF STATE

#1699795

*The Old Mercantile Exchange Building Six Harrison Street, New York, NY 10013  
Tel. 212-925-8745; 888-445-8868 Fax, 212-925-1971*



Division of Banking  
217 ½ West Missouri Avenue  
Pierre, South Dakota 57501-4590

July 18, 2007

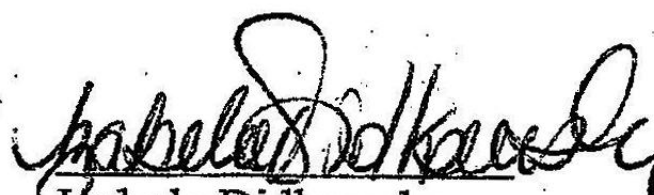
**RE: Mortgage Lender New Bond**

Dear,

Franklin Credit Management Corporation (FCMC) is a licensee of South Dakota Division of Banking License # 4611. Enclosed please find FCMC's bond in the amount of 25,000.00 per your request. The same documentation is filed with the Secretary of State's Office.

If you should have any questions and or need further documentation in filling this bond please feel free to contact me at 201-604-1800 ext 4748

Thank You

  
Izabela Didkowska  
Paralegal

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Tel. 212-925-8745, 888-445-8868 Fax, 212-925-1971



217 1/2 West Missouri Avenue  
Pierre, South Dakota 57501-4590  
Phone: 605-773-3421  
Fax: 605-773-5367

**TO:** Kevin Gildea  
FRANKLIN CREDIT MANAGEMENT CORPORATION  
**FROM:** South Dakota Division of Banking  
**DATE:** July 6, 2007  
**RE:** Mortgage Lender License #4611  
Surety Bond Requirement  
**Enclosure:** Bond Form for Mortgage Lenders

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As of July 1, 2007, South Dakota's new mortgage law is in effect under SDCL 54-14. To implement some provisions of SDCL 54-14 we have enacted new rules under ARSD 20:07:19. You can find full text of the new law and rules on our website: [www.state.sd.us/banking](http://www.state.sd.us/banking).

ARSD 20:07:19:07 states in part, "Any mortgage lender or broker licensed by the division prior to July 1, 2007, must obtain and file with the division any bond(s) required by SDCL 54-14-24 no later than August 31, 2007."

As a mortgage lender currently licensed under SDCL 54-14, you are required to obtain and file with the division a bond in the amount of \$25,000. For your convenience, we have attached the required bond form which must be signed by an officer of the surety company. The entity name on the surety bond and on your license must match exactly.

If we do not receive proof of your bond by August 31, 2007, your license will be cancelled and you will be required to reapply as a new licensee under the new mortgage law.

If you have any questions please feel free to contact the Division at [drr.banking.info@state.sd.us](mailto:drr.banking.info@state.sd.us) or by phone (605) 773-3421.

[www.state.sd.us/drr](http://www.state.sd.us/drr)

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State of South Dakota  
Division of Banking  
217 1/2 W. Missouri Ave.  
Pierre, SD 57501  
(605) 773-3421

**MORTGAGE LENDER BOND (SOUTH DAKOTA)**

Lender (Licensee) Franklin Credit Management Corporation	Surety TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
Licensee Address 101 Hudson Street, 25th Floor	Surety Home Office Address
City Jersey City State New Jersey Zip 07302	City Hartford State CT Zip 06183

ADMINISTRATOR: Division of Banking, State of South Dakota

BOND NUMBER: 104975814

THE ABOVE NAMED LENDER AND SURETY (WHO IS DULY QUALIFIED TO DO BUSINESS IN THE STATE OF SOUTH DAKOTA) ARE HEREBY BOUND IN THE PENAL SUM OF \$25,000 FOR PAYMENT UNDER THE FOLLOWING TERMS AND CONDITIONS:

1. The above-named lender is licensed or has applied to the Division for a license to conduct business as a mortgage lender pursuant to SDCL 54-14-12 et. Seq.
2. The State of South Dakota or any person(s) suffering loss or damages shall have the right to bring an action on this bond against the principal or surety.
3. This bond is one continuing obligation and in no event shall the liability of the surety exceed the penal sum of \$25,000 for the aggregate of any claims occurring during the term of this bond.
4. This bond is conditioned on the Principal's compliance with all provisions of SDCL Chapter 54-14 and any rules adopted pursuant to that chapter and the payment of any amounts owed by the Principal to the State of South Dakota or another person.
5. The surety shall have the right to terminate its obligation under this bond by filing written notice with the Division at least 30 days prior to the effective date of such termination. Obligations of the surety arising prior to the effective date shall not be affected by the termination.
6. In the event the surety under this bond makes full or partial payment on this bond, said surety shall immediately give written notice of such payment to the South Dakota Division of Banking.

This bond shall take effect on July 1, 2007 and shall continue in force until it is terminated or cancelled.

EXECUTED ON this 16th day of July, 20 07.

Lender  
BY Kim Shaw  
Kimberly Shaw

NOTE: Persons executing for surety  
other than corporate officers must  
attach Power of Attorney

SURETY TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA  
BY Evan B. Bower - Attorney In Fact  
ADDRESS 485 Lexington Avenue  
New York, NY 10017  
PHONE # 917-778-6043



## POWER OF ATTORNEY

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 Seaboard Surety Company  
 St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company  
 St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company

Attorney-In Fact No. 214215

Certificate No. 000068802

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Richard Bower, and Evan Bower

of the City of Plainview, State of New York, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 6th day of February, 2006.

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 Seaboard Surety Company  
 St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company  
 St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company



State of Connecticut  
 City of Hartford ss.

By:

*George W. Thompson*  
 George W. Thompson, Senior Vice President

On this the 6th day of February, 2006, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.  
 My Commission expires the 30th day of June, 2006.



*Marie C. Tetreault*  
 Marie C. Tetreault, Notary Public

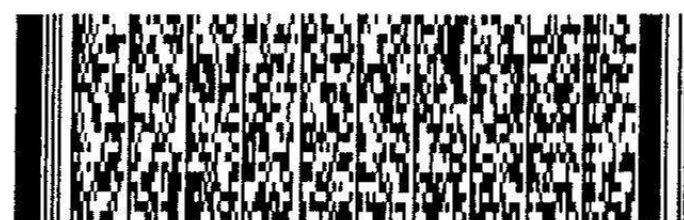
AUG 01 2007

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**ShipRequest™**



Ship To: Licensing Department  
Company: Division of Banking  
Address 1: 217 1/2 West Missouri Avenue  
Address 2:  
Address 3:  
City: Pierre  
State/Province: South Dakota  
ZIP/Postal Code: 57501-4590  
Country: United States  
email:  
Phone:  
Account: Corporate Legal  
Package Type: Letter  
Address Type: Commercial  
Deliver By: Thursday, July 19, 2007 8:30 AM

Special Instructions:

Sender Name: Izabela Didkowska  
email: ididkowska@franklincredit.com  
Prepared By: Sandia Raghubir  
Phone: 201-604-1800 x 4748

Signature:



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